



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

PUBLIC HEARING NOTICE

May 8, 2006

TO: INTERESTED PARTIES
FROM: EXECUTIVE OFFICER / APCO
SUBJECT: **PUBLIC HEARING: REGULATION 3: FEES**

On **Wednesday, June 7, 2006**, the Board of Directors of the Bay Area Air Quality Management District will conduct a public hearing to discuss amendments to **Regulation 3: Fees**, and approve the filing of a Notice of Exemption pursuant to the California Environmental Quality Act (Public Resources Code, §21000 *et seq*). The hearing will be held in the 7th floor Board Room of the District Office, 939 Ellis Street, San Francisco. **The Board meeting will commence at 9:45 a.m.**

The proposed amendments to the District's fee regulation would be effective on July 1, 2006, and would increase fee revenue in order to enable the District to address increasing regulatory program activity costs. The following changes in the District's Fee Schedules are proposed:

Schedule A	Hearing Board	15% increase
Schedule B	Combustion of Fuels	5% increase
Schedule C	Stationary Containers for the Storage of Organic Liquids	No change
Schedule D	Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals	15% increase
Schedule E	Solvent Evaporating Sources	15% increase
Schedule F	Miscellaneous Sources	15% increase
Schedule G1	Miscellaneous Sources	15% increase
Schedule G2	Miscellaneous Sources	5% increase
Schedule G3	Miscellaneous Sources	No change
Schedule G4	Miscellaneous Sources	No change
Schedule H	Semiconductor and Related Operations	15% increase
Schedule I	Dry Cleaners	15% increase
Schedule K	Solid Waste Disposal Sites	15% increase
Schedule L	Asbestos Operations	No change
Schedule M	Major Stationary Source Fees	15% increase
Schedule N	Toxic Inventory Fees	5% increase
Schedule P	Major Facility Review Fees	15% increase
Schedule Q	Excavation of Contaminated Soil and Removal of Underground Storage Tanks	No change

In addition, the following specific fees listed in Regulation 3 would be increased by 5 percent:

- Section 3-302: New and modified source filing fee
- Section 3-309: Duplicate permit fee
- Section 3-311: Banking filing fee and withdrawal fee
- Section 3-312: Regulation 2, Rule 9 Alternative Compliance Plan fee
- Section 3-327: Permit to Operate renewal processing fee
- Section 3-329: Fee for risk screening (base fee for each application specified in the applicable Fee Schedule)

Finally, the fees in Section 3-405 for reinstatement of permits that have lapsed due to late payment of permit fees would be decreased.

The District's proposal is based largely on the results and recommendations of a study completed last year for the District by the accounting firm Stonefield Josephson, Inc. (*Bay Area Air Quality Management District Cost Recovery Study, Final Report; March 30, 2005*). This Cost Recovery Study concluded that, on an overall basis, existing fee revenue is far less than the District's regulatory program activity costs. The Study recommended that, if this revenue gap is to be reduced, fees should be increased by more than annual Cost of Living Adjustments. The proposed fee increases for the various Fee Schedules are based on the magnitude of the revenue gap for each Schedule as determined in the Cost Recovery Study.

The proposed amendments to Regulation 3 are available on the District's web site at http://www.baaqmd.gov/pln/ruledev/regulatory_public_hearings.htm. Copies of these documents may also be requested by calling May Leung at (415) 749-4729. Comments on the proposal should be directed to Brian Bateman, Director of Engineering, Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, California, 94109, telephone (415) 749-4653, fax (415) 749-5030, or e-mail at bbateman@baamqd.gov. **Written comments on the proposed regulatory changes must be received by the District by 5:00 p.m. on Tuesday, May 30, 2006.**

PUBLIC TRANSPORTATION

MUNI -- #47 AND 49 NORTH AND SOUTH ON VAN NESS AVENUE

BART -- CIVIC CENTER STATION 8TH AND MARKET STREETS

Attendees are encouraged to ride public transit, rideshare, bicycle, walk or use other non-motorized modes to and from the District.